

Arizona Health Care Cost Containment System

January 2005

Serving Native American Communities Across Arizona



Milestones

- Acute care enrollment policy gives Native Americans an extra choice, IHS.
- **1989** – First Tribal ALTCS agreement implemented.
- **1995** – Gila River Indian Community approved as AHCCCS provider.
- **1997** – National MOA policy implemented; tribal behavioral health services providers leverage reimbursements.
- **1998** – Reimbursement for inpatient professional services implemented.
- **1998** – AHCCCS conducts tribal consultation on KidsCare implementation.
- **1998** – CMS policy exempts Indian children from member cost sharing requirements in the KidsCare program.
- **2000** – Proposition 204, a voter-approved initiative requires coverage for anyone with income at or below the federal poverty level.
- **2003** – HIFA Waiver implementation provides coverage for parents and low-income individuals, and couples without children.



The Arizona Health Care Cost Containment System (AHCCCS) is Arizona's Medicaid agency that serves low-income children, families and individuals.

AHCCCS also administers KidsCare, the Arizona Long Term Care System (ALTCS), and Medicare Cost Sharing programs.

Arizona, a state with 20 or more facilities of the Indian Health Service (IHS), a developing tribally-operated health care system, and a growing Native American population, became the early catalyst for developing relations with tribal governments. AHCCCS needed to find ways to work with the IHS, which historically has been the primary source of health care services for most Native Americans in Arizona. Tribal governments joined these efforts as they contracted for the administration and delivery of IHS services and became AHCCCS providers.

AHCCCS was the first state Medicaid program to implement a flexible enrollment policy that allows Native American AHCCCS enrollees to choose to receive Medicaid covered services from the IHS, instead of a contracted managed care plan. This policy is widely recognized by other states with large Indian populations.

While AHCCCS has received national recognition for its Medicaid managed care model, AHCCCS also operates a fee-for-service (FFS) system exclusively for providing Medicaid reimbursements to the Indian health system. Under FFS, IHS/tribal providers are directly reimbursed for the provision of covered services to Native Americans enrolled with IHS.

AHCCCS has continued to explore and develop policies specific to Native American health care needs. Today, seven tribal governments have signed intergovernmental agreements for the delivery of long-term care case management services

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under the ALTCS program. Some of these agreements have been in existence for more than 10 years.

Tribal ALTCS members whose tribes do not have an agreement with AHCCCS are case managed by the Native American Community Health Center (NACHC), a Phoenix-based urban Indian health provider.

Additionally, tribal providers with contracts (under P.L. 93-638), that deliver AHCCCS services to AHCCCS Native American members are also eligible to leverage Medicaid reimbursements, similar to IHS. The Gila River Indian Community was the first tribal '638 provider to register its hospital, HuHuKam Memorial, and outpatient clinics as AHCCCS providers. Additionally, the Gila River Indian Community maintains an agreement for the delivery of federally-mandated children services under Medicaid.

Other tribes soon followed, registering transportation and behavioral health providers. A couple of years ago, the Navajo Nation contracted two IHS facilities, in Tuba City and Winslow, which are also receiving Medicaid reimbursements.

AHCCCS began in October 1982 as a Medicaid managed care demonstration program under a Section 1115 Research and Demonstration waiver, under Title XIX of the Social Security Act, and approved by the Centers for Medicare & Medicaid Services (CMS). This waiver allows the State to operate a statewide Medicaid managed care system that requires Medicaid enrollees to enroll in a contracted health plan.

Indian Health Service Enrollment

In October 2004, the number of Native American AHCCCS members who elected to enroll with the Indian Health Service (IHS) instead of a managed care plan expanded to a record high of 85,452 enrollees.

Slightly more than half of these enrollees reside in the northern portion of the state and receive services from the Navajo Area IHS and Navajo Nation programs.

The largest group of IHS/AHCCCS enrollees participate in the AHCCCS for Families and Children (AFC) eligibility category, followed by SSI recipients and low-income adults in the AHCCCS Care eligibility category.

See the table to the right for 2004 quarterly IHS/AHCCCS enrollment figures. Also, these statistics and other information are available on the AHCCCS website.

Service Category	Jan 2004	Apr 2004	Jul 2004	Oct 2004
AFC/ 1931	45,563	45,803	47,141	50,752
SSI& SSI/MAO	12,084	12,145	12,215	12,296
AHCCCS Care	11,710	11,518	11,436	12,870
MED (spend down)	265	231	240	285
KidsCare	2,656	2,563	2,343	2,317
SOBRA Children	4,731	4,586	4,742	4,941
SOBRA Women	618	600	645	718
Family Planning Services	636	653	639	615
AHCCCS for Parents	690	722	676	658
Totals by Quarter	78,953	78,821	80,077	85,452

Division of Fee for Service Management (DFSM)

Last year, the AHCCCS Administration reorganized and created the Division of Fee for Service Management (DFSM) for the purposes of integrating all areas that manage the acute care Native American, fee-for-service, population.

On November 8, 2004, Linda S. Martin, Ph.D., joined AHCCCS as the Assistant Director to lead DFSM. In her Division, Linda will oversee the prior authorization unit, claims areas, and provider registration.

Celeste Gillman manages the Prior Authorization unit, and her staff work with acute care FFS providers seeking service authorizations. The PA Unit works closely with tribal transportation providers.

Staff in the Claims section include: Becky Fields, Claims Administrator, Mickey Goeglein, Claims Operations Supervisor, Kyra Westlake, Provider Policy & Training Manager; and Sabrina Ott, Claims Trainer.

The Provider Registration area is supervised by Valerie Noor, whose staff assist providers with the registration process, and verify provider licensure and certification.

The Claims and Provider Registration areas meet with IHS on a monthly basis to provide technical assistance and guidance in claims submission, and to gain input from IHS regarding the billing process and training needs.

KidsCare

KidsCare is Arizona's States Children's Health Insurance Program (SCHIP), under Title XXI of the Social Security Act. KidsCare was implemented in October 1998, and serves families, with income at or below 200% of the federal poverty level (FPL), who have been without health insurance for at least three months.

Initially, KidsCare coverage was provided only for uninsured children, however, AHCCCS received approval from DHHS/CMS to allow coverage for

parents of KidsCare and AHCCCS children, under the Health Insurance Flexibility Act (HIFA) waiver.

KidsCare uses a mail-in application process, and eligibility is determined by AHCCCS.

KidsCare, similar to private insurance charges monthly premiums based on family income levels. Also, as of January 1, 2005, new applicants are charged an application enrollment fee. **Native American families are**

exempt from member cost sharing requirements.

Last year, the number of Native Americans enrolled in KidsCare declined. In January 2004, there were 4,145 Native Americans enrolled in KidsCare, and as of October 2004 reports show a total of 3,649 enrollees. Of this total, slightly more than half of these members are enrolled with IHS. The remaining members are enrolled in AHCCCS health plans.

Tribal ALTCS Case Management Programs

The **Arizona Long Term Care System (ALTCS)** has long established relationships, and recognized the role of tribal governments in the administration and delivery of ALTCS case management services. ALTCS is a recognized national model for its continued promotion of community based placements and support services in lieu of institutional care for the elderly and physically disabled (EPD).

ALTCS/EPD serves aged (65 years and over), blind, or disabled individuals who meet financial eligibility requirements and are determined as needing ongoing services at a nursing facility level of care. Many ALTCS participants remain in their own homes or an assisted living facility and receive needed in-home services.

The seven tribal governments, as listed in the table, have signed *Intergovernmental Agreements (IGA)* with AHCCCS, to deliver case management services. This includes coordination of Home and Community Based Services (HCBS), such as home delivered meals and personal care. Additionally, the Native American Community Health Center (NACHC) is currently case managing ALTCS members from 15 tribes across the State that do not have an intergovernmental agreement with AHCCCS.

Tribal ALTCS programs are paid a monthly case-management capitation rate for each ALTCS member enrolled in their respective programs.

ALTCS Native American members who are not affiliated with a tribal government in Arizona are case managed by an ALTCS Program Contractor that serves the geographic service area where the members reside.

Tribal ALTCS Enrollment

Most Tribal ALTCS members reside in their homes, so Tribal ALTCS case management programs are continually striving to develop and maintain

adequate HCBS provider networks as the demand for services continues to increase.

Many tribal programs rely on family and community members to provide in home health services, as these providers can be reimbursed directly from AHCCCS for the services delivered.

IHS and tribal facilities function as the acute care providers for Tribal ALTCS members. These members may also receive acute care services from the private sector providers on a fee-for-service basis.

The ALTCS Unit at AHCCCS provides administrative technical assistance and training for the tribal case managers.

Ms. Yolanda Frenchman is the Tribal ALTCS Case Management Coordinator, who conducts an annual audit of

each tribal program. This audit measures compliance with AHCCCS policy and determines future training needs.

Ms. Frenchman is the point of contact for information on ALTCS tribal case management.

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For more information on ALTCS
visit the AHCCCS website at:
www.ahcccs.state.az.us

Indian Nation/Tribe	10/31/04 Enrollment
Gila River Indian Community	116
Navajo Nation	957
The Hopi Tribe	63
Pascua Yaqui Tribe	32
San Carlos Apache Tribe	105
Tohono O'odham Nation	210
White Mountain Apache Tribe	120
Native American Community Health Center (NACHC)	91
Total Members	1,694

Statewide AHCCCS Enrollment

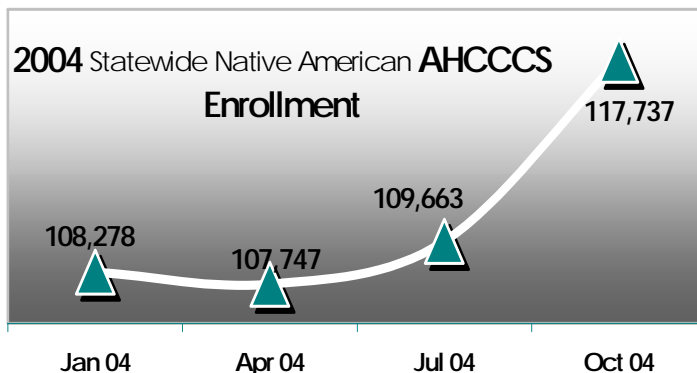
In the last quarter of 2004, AHCCCS enrollment grew by approximately 72,000 members. As of October 2004, AHCCCS statewide enrollment had climbed to 1,026,966 members.

The statewide Native American AHCCCS population represents approximately 11% of the total AHCCCS population. Quarterly enrollment reports show that as of October 2004, the statewide Native American AHCCCS population reached a record high of 117,737 members. This figure includes all service categories, but

does not reflect enrollment selections, and does not include Medicare Cost Sharing programs, which provide assistance with Medicare costs only.

There are 29 IHS/tribal facilities in Arizona that provide services to Native Americans, therefore, out of the 117,737 Native American members, about 85,000 of these members will choose to enroll with IHS, instead of an AHCCCS-contracted health plan.

The remaining members usually reside in areas that lack an IHS/tribal facility,



and are enrolled in health plans.

As shown in the table above, between July 2004 and October 2004, enrollment of Native American AHCCCS members in-

creased by 8,074 members.

The January 2005 enrollment report shows the total Native American enrollment at 118,666 members, which is an increase of 929 enrollees since October 2004.

AHCCCS Acute Care Programs

AHCCCS **Acute Care** programs serve the Medicaid mandatory populations that include low-income pregnant women, children, SSI recipients, TANF families, and aged, blind and/or disabled persons. In January 2001, the voter-approved Proposition 204, expanded AHCCCS eligibility to include low-income single men, women and couples without children.

AHCCCS has an agreement with the Department of Economic Security, (DES), Family Assistance Administration (FAA) for eligibility services. Families and individuals may apply at local DES/FAA offices, located throughout the

state, including Indian reservations. Eligibility requirements are based on federal program requirements, Arizona statutes and rules, and are specific to each program. Additional information on the application process is available on the AHCCCS website at: www.ahcccs.state.az.us

AHCCCS for Families with Children (AFC)/Section 1931 provides medical coverage for families. To qualify, there must be an eligible child in the household under the age of 18 years (or 19 years if a full time student). This category serves TANF (Temporary Assistance to

Needy Families) recipients and families with income at or below the federal poverty level (FPL).

SOBRA provides medical coverage to pregnant women and children up to the age of 19 years. Income limits vary depending on age of children. Income limits for pregnant women: 133% of FPL.

SOBRA Family Planning provides automatic eligibility, with some exceptions, after 6 week post-partum period with eligibility as a SOBRA Pregnant Woman. The **AHCCCS Care and Medical Expense Deduction (MED)** programs were implemented under the

voter-approved Proposition 204.

The Social Security Administration (SSA) determines eligibility for the Supplemental Security Income (SSI) program, which interfaces with AHCCCS for enrollment. **SSI Cash** provides AHCCCS coverage to Arizona residents who receive Supplemental Security Income (SSI) cash benefits

SSI Medical Assistance Only (SSI/MAO) provides medical coverage for individuals who are age 65 and over, blind or disabled, but do not receive monthly SSI cash benefits. AHCCCS determines eligibility for the SSI/MAO program.

We're on the web!
www.ahcccs.state.az.us



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